

Amendments to the Drawings:

The attached annotated sheet of drawings includes changes to Fig. 6 and replaces the original sheet including Fig. 6.

Attachments following last page of this Amendment:

Annotated Sheet Showing Change(s) (1 page)

REMARKS

Reconsideration and allowance of the above referenced application are respectfully requested. The objections to the drawings are obviated by amendment. The objection to "206" is respectfully traversed, since this is found in paragraph [0101].

The double patenting rejection has been obviated by the amendment of Claim 1.

Claims 26-32 stand rejected under 35 USC 112, second paragraph, as being indefinite. Applicants apologize for the inconsistency within the claim, which has been corrected herein.

Claims 26, 28, 29, 33 and 37 stand rejected under 35 USC 102(b) as allegedly being anticipated by Bloomfield. This contention has been obviated by the amendment of Claim 26 herein to recite that the fuel cell operates using a liquid fuel.

Bloomfield describes recycling energy from the gases, but only in a stack that operates based on gaseous reactants. See column 3 lines 13-15. While, admittedly, Bloomfield does teach using methanol, everything about Bloomfield contemplates gasses as reactants. Even the cited section that describes methanol, column 9 line 51, refers to reactant gas pressures.

Claims 26 and 33 also recite the subject matter disclosed at the top of page 33 of the specification: that the pressure that is recycled is from an effluent that includes both liquid

and gas. Bloomfield does not disclose this feature. The rejection alleges that Bloomfield does disclose liquid, at the top of column 6. However, this contention is respectfully traversed. Bloomfield explains that water can be recovered from steam. See column 6 line 2. Steam is a gas, not a liquid. There is no disclosure nor suggestion that there is actually liquid in the output.

Since Bloomfield does not disclose the use of liquid fuel, or recycling of pressure from a combination of liquid and gas, it does not disclose the subject matter now claimed. Claims 26 and 33 should hence be allowable along with the claims that depend therefrom.

Many of the dependent claims were rejected based on these primary references in view of secondary references. None of the secondary references disclose or suggest recycling of pressure from an affluent that includes both liquid and gas. Therefore, these claims should be additionally allowable.

Claims 1-11 and 13 stand rejected over Bloomfield in view of Nakazawa and further in view of Elzinga. There is no teaching or suggestion of recycling pressure from a fuel cell that uses a liquid fuel, as now claimed. Moreover, Claim 1 has been amended in a similar way to recite an output fluid from the cathode that includes both liquid and gas. This claim should hence be allowable for reasons discussed above, as there is no

teaching or suggestion of this in any of the prior art.

The rejection refers to the liquid portion of the anode exhaust in Elzinga being directed to a water reservoir which "indicates" a separator. With all due respect, this contention is based on hindsight and not on the teaching of Elzinga. Elzinga teaches nothing about an air/gas separator. Moreover, Elzinga does not suggest recycling pressure from an effluent that includes both liquid and gas, as claimed.

Claims 6, 18 and 38 have been amended in a similar way and should be analogously allowable.

In addition, new dependent claims are added specifically reciting a liquid gas separator, used as part of the pressure recycling, thus further distinguishing over the cited prior art.

It is believed that all of the pending claims have been addressed in this paper. However, failure to address a specific rejection, issue or comment, does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above are not intended to be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any

claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

Applicants ask that all claims be allowed. Please apply the extra claim fee in the amount of \$200, the one month extension of time fee in the amount of \$120, and any other applicable charges or credits, to Deposit Account No. 06-1050.

Respectfully submitted,



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